

1 SENATE BILL 271

2 **50TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2012**

3 INTRODUCED BY

4 John Arthur Smith

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10 AN ACT

11 RELATING TO TAXATION; ELIMINATING THE FOOD AND MEDICAL HOLD
12 HARMLESS PROVISIONS OVER A FIFTEEN-YEAR PERIOD; PROVIDING FOR A
13 DELAYED REPEAL OF CERTAIN SECTIONS OF THE NMSA 1978 IN 2026;
14 DISTRIBUTING REVENUE TO THE LOCAL GOVERNMENTS ROAD FUND.

15
16 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

17 SECTION 1. Section 7-1-6.46 NMSA 1978 (being Laws 2004,
18 Chapter 116, Section 1, as amended) is amended to read:

19 "7-1-6.46. DISTRIBUTION TO MUNICIPALITIES--OFFSET FOR
20 FOOD DEDUCTION AND HEALTH CARE PRACTITIONER SERVICES
21 DEDUCTION.--

22 ~~[A. A distribution pursuant to Section 7-1-6.1 NMSA~~
23 ~~1978 shall be made to a municipality in an amount, subject to~~
24 ~~any increase or decrease made pursuant to Section 7-1-6.15 NMSA~~
25 ~~1978, equal to the sum of:~~

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1 ~~(1) for a municipality having a population of~~
2 ~~less than ten thousand according to the most recent federal~~
3 ~~decennial census and having per capita taxable gross receipts~~
4 ~~for the previous calendar year that are less than the average~~
5 ~~per capita taxable gross receipts for all municipalities for~~
6 ~~that same calendar year:~~

7 ~~(a) the total deductions claimed~~
8 ~~pursuant to Section 7-9-92 NMSA 1978 for the month by taxpayers~~
9 ~~from business locations attributable to the municipality~~
10 ~~multiplied by the sum of the combined rate of all municipal~~
11 ~~local option gross receipts taxes in effect in the municipality~~
12 ~~for the month plus one and two hundred twenty-five thousandths~~
13 ~~percent; and~~

14 ~~(b) the total deductions claimed~~
15 ~~pursuant to Section 7-9-93 NMSA 1978 for the month by taxpayers~~
16 ~~from business locations attributable to the municipality~~
17 ~~multiplied by the sum of the combined rate of all municipal~~
18 ~~local option gross receipts taxes in effect in the municipality~~
19 ~~for the month plus one and two hundred twenty-five thousandths~~
20 ~~percent; or~~

21 ~~(2) for a municipality not described in~~
22 ~~Paragraph (1) of this subsection:~~

23 ~~(a) the total deductions claimed~~
24 ~~pursuant to Section 7-9-92 NMSA 1978 for the month by taxpayers~~
25 ~~from business locations attributable to the municipality~~

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1 ~~multiplied by the sum of the combined rate of all municipal~~
2 ~~local option gross receipts taxes in effect in the municipality~~
3 ~~on January 1, 2007 plus one and two hundred twenty-five~~
4 ~~thousandths percent; and~~

5 ~~(b) the total deductions claimed~~
6 ~~pursuant to Section 7-9-93 NMSA 1978 for the month by taxpayers~~
7 ~~from business locations attributable to the municipality~~
8 ~~multiplied by the sum of the combined rate of all municipal~~
9 ~~local option gross receipts taxes in effect in the municipality~~
10 ~~on January 1, 2007 plus one and two hundred twenty-five~~
11 ~~thousandths percent.~~

12 ~~B. The distribution pursuant to Subsection A]~~

13 A. For a municipality having a population of less
14 than ten thousand according to the most recent federal
15 decennial census and having per capita taxable gross receipts
16 for the previous calendar year that are less than the average
17 per capita taxable gross receipts for all municipalities for
18 that same calendar year, a distribution pursuant to Section
19 7-1-6.1 NMSA 1978 shall be made to the municipality in an
20 amount, subject to any increase or decrease made pursuant to
21 Section 7-1-6.15 NMSA 1978, equal to the sum of the following
22 percent of the total deductions claimed pursuant to Section
23 7-9-92 NMSA 1978 for the month by taxpayers from business
24 locations attributable to the municipality multiplied by the
25 sum of the combined rates of all municipal local option gross

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1 receipts taxes in effect in the municipality for the month plus
2 one and two hundred twenty-five thousandths percent:

3 (1) before July 1, 2012, one hundred percent;

4 (2) on or after July 1, 2012 but before July
5 1, 2013, ninety-three percent;

6 (3) on or after July 1, 2013 but before July
7 1, 2014, eighty-seven percent;

8 (4) on or after July 1, 2014 but before July
9 1, 2015, eighty percent;

10 (5) on or after July 1, 2015 but before July
11 1, 2016, seventy-three percent;

12 (6) on or after July 1, 2016 but before July
13 1, 2017, sixty-seven percent;

14 (7) on or after July 1, 2017 but before July
15 1, 2018, sixty percent;

16 (8) on or after July 1, 2018 but before July
17 1, 2019, fifty-three percent;

18 (9) on or after July 1, 2019 but before July
19 1, 2020, forty-seven percent;

20 (10) on or after July 1, 2020 but before July
21 1, 2021, forty percent;

22 (11) on or after July 1, 2021 but before July
23 1, 2022, thirty-three percent;

24 (12) on or after July 1, 2022 but before July
25 1, 2023, twenty-seven percent;

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1 (13) on or after July 1, 2023 but before July
2 1, 2024, twenty percent;

3 (14) on or after July 1, 2024 but before July
4 1, 2025, thirteen percent; and

5 (15) on or after July 1, 2025 but before July
6 1, 2026, six percent.

7 B. For a municipality having a population of less
8 than ten thousand according to the most recent federal
9 decennial census and having per capita taxable gross receipts
10 for the previous calendar year that are less than the average
11 per capita taxable gross receipts for all municipalities for
12 that same calendar year, a distribution pursuant to Section
13 7-1-6.1 NMSA 1978 shall be made to the municipality in an
14 amount, subject to any increase or decrease made pursuant to
15 Section 7-1-6.15 NMSA 1978, equal to the sum of the following
16 percent of the total deduction claimed pursuant to Section
17 7-9-93 NMSA 1978 for the month by taxpayers from business
18 locations attributable to the municipality multiplied by the
19 sum of the combined rates of all municipal local option gross
20 receipts taxes in effect in the municipality for the month plus
21 one and two hundred twenty-five thousandths percent:

22 (1) before July 1, 2012, one hundred percent;

23 (2) on or after July 1, 2012 but before July
24 1, 2013, ninety-three percent;

25 (3) on or after July 1, 2013 but before July

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1 1, 2014, eighty-seven percent;

2 (4) on or after July 1, 2014 but before July
3 1, 2015, eighty percent;

4 (5) on or after July 1, 2015 but before July
5 1, 2016, seventy-three percent;

6 (6) on or after July 1, 2016 but before July
7 1, 2017, sixty-seven percent;

8 (7) on or after July 1, 2017 but before July
9 1, 2018, sixty percent;

10 (8) on or after July 1, 2018 but before July
11 1, 2019, fifty-three percent;

12 (9) on or after July 1, 2019 but before July
13 1, 2020, forty-seven percent;

14 (10) on or after July 1, 2020 but before July
15 1, 2021, forty percent;

16 (11) on or after July 1, 2021 but before July
17 1, 2022, thirty-three percent;

18 (12) on or after July 1, 2022 but before July
19 1, 2023, twenty-seven percent;

20 (13) on or after July 1, 2023 but before July
21 1, 2024, twenty percent;

22 (14) on or after July 1, 2024 but before July
23 1, 2025, thirteen percent; and

24 (15) on or after July 1, 2025 but before July
25 1, 2026, six percent.

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1 C. For a municipality not described in Subsection A
2 of this section, a distribution pursuant to Section 7-1-6.1
3 NMSA 1978 shall be made to the municipality in an amount,
4 subject to any increase or decrease made pursuant to Section
5 7-1-6.15 NMSA 1978, equal to the sum the following percent of
6 the total deductions claimed pursuant to Section 7-9-92 NMSA
7 1978 for the month by taxpayers from business locations
8 attributable to the municipality multiplied by the sum of the
9 combined rates of all municipal local option gross receipts
10 taxes in effect in the municipality on January 1, 2007 plus one
11 and two hundred twenty-five thousandths percent:

12 (1) before July 1, 2012, one hundred percent;

13 (2) on or after July 1, 2012 but before July
14 1, 2013, ninety-three percent;

15 (3) on or after July 1, 2013 but before July
16 1, 2014, eighty-seven percent;

17 (4) on or after July 1, 2014 but before July
18 1, 2015, eighty percent;

19 (5) on or after July 1, 2015 but before July
20 1, 2016, seventy-three percent;

21 (6) on or after July 1, 2016 but before July
22 1, 2017, sixty-seven percent;

23 (7) on or after July 1, 2017 but before July
24 1, 2018, sixty percent;

25 (8) on or after July 1, 2018 but before July

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1 1, 2019, fifty-three percent;

2 (9) on or after July 1, 2019 but before July
3 1, 2020, forty-seven percent;

4 (10) on or after July 1, 2020 but before July
5 1, 2021, forty percent;

6 (11) on or after July 1, 2021 but before July
7 1, 2022, thirty-three percent;

8 (12) on or after July 1, 2022 but before July
9 1, 2023, twenty-seven percent;

10 (13) on or after July 1, 2023 but before July
11 1, 2024, twenty percent;

12 (14) on or after July 1, 2024 but before July
13 1, 2025, thirteen percent; and

14 (15) on or after July 1, 2025 but before July
15 1, 2026, six percent.

16 D. For a municipality not described in Subsection B
17 of this section, a distribution pursuant to Section 7-1-6.1
18 NMSA 1978 shall be made to the municipality in an amount,
19 subject to any increase or decrease made pursuant to Section
20 7-1-6.15 NMSA 1978, equal to the sum of the following percent
21 of the total deduction claimed pursuant to Section 7-9-93 NMSA
22 1978 for the month by taxpayers from business locations
23 attributable to the municipality multiplied by the sum of the
24 combined rates of all municipal local option gross receipts
25 taxes in effect in the municipality on January 1, 2007 plus one

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1 and two hundred twenty-five thousandths percent:

2 (1) before July 1, 2012, one hundred percent;

3 (2) on or after July 1, 2012 but before July
4 1, 2013, ninety-three percent;

5 (3) on or after July 1, 2013 but before July
6 1, 2014, eighty-seven percent;

7 (4) on or after July 1, 2014 but before July
8 1, 2015, eighty percent;

9 (5) on or after July 1, 2015 but before July
10 1, 2016, seventy-three percent;

11 (6) on or after July 1, 2016 but before July
12 1, 2017, sixty-seven percent;

13 (7) on or after July 1, 2017 but before July
14 1, 2018, sixty percent;

15 (8) on or after July 1, 2018 but before July
16 1, 2019, fifty-three percent;

17 (9) on or after July 1, 2019 but before July
18 1, 2020, forty-seven percent;

19 (10) on or after July 1, 2020 but before July
20 1, 2021, forty percent;

21 (11) on or after July 1, 2021 but before July
22 1, 2022, thirty-three percent;

23 (12) on or after July 1, 2022 but before July
24 1, 2023, twenty-seven percent;

25 (13) on or after July 1, 2023 but before July

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1 1, 2024, twenty percent;

2 (14) on or after July 1, 2024 but before July
3 1, 2025, thirteen percent; and

4 (15) on or after July 1, 2025 but before July
5 1, 2026, six percent.

6 E. Until July 1, 2026, the distributions pursuant
7 to Subsections A through D of this section [~~is~~] are in lieu of
8 revenue that would have been received by the municipality but
9 for the deductions provided by Sections 7-9-92 and 7-9-93 NMSA
10 1978. The [~~distribution~~] distributions shall be considered
11 gross receipts tax revenue and shall be used by the
12 municipality in the same manner as gross receipts tax revenue,
13 including payment of gross receipts tax revenue bonds.

14 F. If the reductions made by this 2012 act to the
15 distributions made pursuant to Subsections A through D of this
16 section impair the ability of a municipality to meet its
17 principal or interest payment obligations for revenue bonds
18 that are outstanding prior to July 1, 2012 and that are secured
19 by the pledge of all or part of the municipality's revenue from
20 gross receipts taxes, then the amount distributed pursuant to
21 this section to that municipality shall be increased by an
22 amount sufficient to meet the required payment; provided that
23 the total amount distributed to that municipality pursuant to
24 this section does not exceed the amount that would have been
25 due that municipality pursuant to this section as it was in

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1 effect on June 30, 2012.

2 ~~[G. For the purposes of]~~ G. As used in this
3 section, "business locations attributable to the municipality"
4 means business locations:

- 5 (1) within the municipality;
- 6 (2) on land owned by the state, commonly known
7 as the "state fairgrounds", within the exterior boundaries of
8 the municipality;
- 9 (3) outside the boundaries of the municipality
10 on land owned by the municipality; and
- 11 (4) on an Indian reservation or pueblo grant
12 in an area that is contiguous to the municipality and in which
13 the municipality performs services pursuant to a contract
14 between the municipality and the Indian tribe or Indian pueblo
15 if:

- 16 (a) the contract describes an area in
17 which the municipality is required to perform services and
18 requires the municipality to perform services that are
19 substantially the same as the services the municipality
20 performs for itself; and

- 21 (b) the governing body of the
22 municipality has submitted a copy of the contract to the
23 secretary.

24 ~~[D.]~~ H. A distribution pursuant to this section may
25 be adjusted for a distribution made to a tax increment

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1 development district with respect to a portion of a gross
2 receipts tax increment dedicated by a municipality pursuant to
3 the Tax Increment for Development Act."

4 SECTION 2. Section 7-1-6.47 NMSA 1978 (being Laws 2004,
5 Chapter 116, Section 2, as amended) is amended to read:

6 "7-1-6.47. DISTRIBUTION TO COUNTIES--OFFSET FOR FOOD
7 DEDUCTION AND HEALTH CARE PRACTITIONER SERVICES DEDUCTION.--

8 ~~[A. A distribution pursuant to Section 7-1-6.1 NMSA~~
9 ~~1978 shall be made to a county in an amount, subject to any~~
10 ~~increase or decrease made pursuant to Section 7-1-6.15 NMSA~~
11 ~~1978, equal to the sum of:~~

12 ~~(1) for a county having a population of less~~
13 ~~than forty-eight thousand according to the most recent federal~~
14 ~~decennial census:~~

15 ~~(a) the total deductions claimed~~
16 ~~pursuant to Section 7-9-92 NMSA 1978 for the month by taxpayers~~
17 ~~from business locations within a municipality in the county~~
18 ~~multiplied by the combined rate of all county local option~~
19 ~~gross receipts taxes in effect for the month that are imposed~~
20 ~~throughout the county;~~

21 ~~(b) the total deductions claimed~~
22 ~~pursuant to Section 7-9-92 NMSA 1978 for the month by taxpayers~~
23 ~~from business locations in the county but not within a~~
24 ~~municipality multiplied by the combined rate of all county~~
25 ~~local option gross receipts taxes in effect for the month that~~

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1 ~~are imposed in the county area not within a municipality;~~

2 ~~(c) the total deductions claimed~~
3 ~~pursuant to Section 7-9-93 NMSA 1978 for the month by taxpayers~~
4 ~~from business locations within a municipality in the county~~
5 ~~multiplied by the combined rate of all county local option~~
6 ~~gross receipts taxes in effect for the month that are imposed~~
7 ~~throughout the county; and~~

8 ~~(d) the total deductions claimed~~
9 ~~pursuant to Section 7-9-93 NMSA 1978 for the month by taxpayers~~
10 ~~from business locations in the county but not within a~~
11 ~~municipality multiplied by the combined rate of all county~~
12 ~~local option gross receipts taxes in effect for the month that~~
13 ~~are imposed in the county area not within a municipality; or~~

14 ~~(2) for a county not described in Paragraph~~
15 ~~(1) of this subsection:~~

16 ~~(a) the total deductions claimed~~
17 ~~pursuant to Section 7-9-92 NMSA 1978 for the month by taxpayers~~
18 ~~from business locations within a municipality in the county~~
19 ~~multiplied by the combined rate of all county local option~~
20 ~~gross receipts taxes in effect on January 1, 2007 that are~~
21 ~~imposed throughout the county;~~

22 ~~(b) the total deductions claimed~~
23 ~~pursuant to Section 7-9-92 NMSA 1978 for the month by taxpayers~~
24 ~~from business locations in the county but not within a~~
25 ~~municipality multiplied by the combined rate of all county~~

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1 ~~local option gross receipts taxes in effect on January 1, 2007~~
2 ~~that are imposed in the county area not within a municipality;~~

3 ~~(c) the total deductions claimed~~
4 ~~pursuant to Section 7-9-93 NMSA 1978 for the month by taxpayers~~
5 ~~from business locations within a municipality in the county~~
6 ~~multiplied by the combined rate of all county local option~~
7 ~~gross receipts taxes in effect on January 1, 2007 that are~~
8 ~~imposed throughout the county; and~~

9 ~~(d) the total deductions claimed~~
10 ~~pursuant to Section 7-9-93 NMSA 1978 for the month by taxpayers~~
11 ~~from business locations in the county but not within a~~
12 ~~municipality multiplied by the combined rate of all county~~
13 ~~local option gross receipts taxes in effect on January 1, 2007~~
14 ~~that are imposed in the county area not within a municipality.]~~

15 A. For a county having a population of less than
16 forty-eight thousand according to the most recent federal
17 decennial census, a distribution pursuant to Section 7-1-6.1
18 NMSA 1978 shall be made to the county in an amount, subject to
19 any increase or decrease made pursuant to Section 7-1-6.15 NMSA
20 1978, equal to the sum of the following percent of the total
21 deductions claimed pursuant to Section 7-9-92 NMSA 1978 by
22 taxpayers from business locations:

23 (1) within a municipality in the county
24 multiplied by the combined rate of all county local option
25 gross receipts taxes in effect for the month that are imposed

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1 throughout the county:

2 (a) before July 1, 2012, one hundred
3 percent;

4 (b) on or after July 1, 2012 but before
5 July 1, 2013, ninety-three percent;

6 (c) on or after July 1, 2013 but before
7 July 1, 2014, eighty-seven percent;

8 (d) on or after July 1, 2014 but before
9 July 1, 2015, eighty percent;

10 (e) on or after July 1, 2015 but before
11 July 1, 2016, seventy-three percent;

12 (f) on or after July 1, 2016 but before
13 July 1, 2017, sixty-seven percent;

14 (g) on or after July 1, 2017 but before
15 July 1, 2018, sixty percent;

16 (h) on or after July 1, 2018 but before
17 July 1, 2019, fifty-three percent;

18 (i) on or after July 1, 2019 but before
19 July 1, 2020, forty-seven percent;

20 (j) on or after July 1, 2020 but before
21 July 1, 2021, forty percent;

22 (k) on or after July 1, 2021 but before
23 July 1, 2022, thirty-three percent;

24 (l) on or after July 1, 2022 but before
25 July 1, 2023, twenty-seven percent;

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1 (m) on or after July 1, 2023 but before
2 July 1, 2024, twenty percent;

3 (n) on or after July 1, 2024 but before
4 July 1, 2025, thirteen percent; and

5 (o) on or after July 1, 2025 but before
6 July 1, 2026, six percent; and

7 (2) in the county but not within a
8 municipality multiplied by the combined rate of all county
9 local option gross receipts taxes in effect for the month that
10 are imposed in the county area:

11 (a) before July 1, 2012, one hundred
12 percent;

13 (b) on or after July 1, 2012 but before
14 July 1, 2013, ninety-three percent;

15 (c) on or after July 1, 2013 but before
16 July 1, 2014, eighty-seven percent;

17 (d) on or after July 1, 2014 but before
18 July 1, 2015, eighty percent;

19 (e) on or after July 1, 2015 but before
20 July 1, 2016, seventy-three percent;

21 (f) on or after July 1, 2016 but before
22 July 1, 2017, sixty-seven percent;

23 (g) on or after July 1, 2017 but before
24 July 1, 2018, sixty percent;

25 (h) on or after July 1, 2018 but before

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1 July 1, 2019, fifty-three percent;

2 (i) on or after July 1, 2019 but before
3 July 1, 2020, forty-seven percent;

4 (j) on or after July 1, 2020 but before
5 July 1, 2021, forty percent;

6 (k) on or after July 1, 2021 but before
7 July 1, 2022, thirty-three percent;

8 (l) on or after July 1, 2022 but before
9 July 1, 2023, twenty-seven percent;

10 (m) on or after July 1, 2023 but before
11 July 1, 2024, twenty percent;

12 (n) on or after July 1, 2024 but before
13 July 1, 2025, thirteen percent; and

14 (o) on or after July 1, 2025 but before
15 July 1, 2026, six percent.

16 B. For a county having a population of less than
17 forty-eight thousand according to the most recent federal
18 decennial census, a distribution pursuant to Section 7-1-6.1
19 NMSA 1978 shall be made to the county in an amount, subject to
20 any increase or decrease made pursuant to Section 7-1-6.15 NMSA
21 1978, equal to the sum of the following percent of the total
22 deductions claimed pursuant to Section 7-9-93 NMSA 1978 by
23 taxpayers from business locations:

24 (1) within a municipality in the county
25 multiplied by the combined rate of all county local option

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1 gross receipts taxes in effect for the month that are imposed
2 throughout the county:

3 (a) before July 1, 2012, one hundred
4 percent;

5 (b) on or after July 1, 2012 but before
6 July 1, 2013, ninety-three percent;

7 (c) on or after July 1, 2013 but before
8 July 1, 2014, eighty-seven percent;

9 (d) on or after July 1, 2014 but before
10 July 1, 2015, eighty percent;

11 (e) on or after July 1, 2015 but before
12 July 1, 2016, seventy-three percent;

13 (f) on or after July 1, 2016 but before
14 July 1, 2017, sixty-seven percent;

15 (g) on or after July 1, 2017 but before
16 July 1, 2018, sixty percent;

17 (h) on or after July 1, 2018 but before
18 July 1, 2019, fifty-three percent;

19 (i) on or after July 1, 2019 but before
20 July 1, 2020, forty-seven percent;

21 (j) on or after July 1, 2020 but before
22 July 1, 2021, forty percent;

23 (k) on or after July 1, 2021 but before
24 July 1, 2022, thirty-three percent;

25 (l) on or after July 1, 2022 but before

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1 July 1, 2023, twenty-seven percent;

2 (m) on or after July 1, 2023 but before
3 July 1, 2024, twenty percent;

4 (n) on or after July 1, 2024 but before
5 July 1, 2025, thirteen percent; and

6 (o) on or after July 1, 2025 but before
7 July 1, 2026, six percent; and

8 (2) in the county but not within a
9 municipality multiplied by the combined rate of all county
10 local option gross receipts taxes in effect for the month that
11 are imposed in the county area:

12 (a) before July 1, 2012, one hundred
13 percent;

14 (b) on or after July 1, 2012 but before
15 July 1, 2013, ninety-three percent;

16 (c) on or after July 1, 2013 but before
17 July 1, 2014, eighty-seven percent;

18 (d) on or after July 1, 2014 but before
19 July 1, 2015, eighty percent;

20 (e) on or after July 1, 2015 but before
21 July 1, 2016, seventy-three percent;

22 (f) on or after July 1, 2016 but before
23 July 1, 2017, sixty-seven percent;

24 (g) on or after July 1, 2017 but before
25 July 1, 2018, sixty percent;

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1 (h) on or after July 1, 2018 but before
2 July 1, 2019, fifty-three percent;

3 (i) on or after July 1, 2019 but before
4 July 1, 2020, forty-seven percent;

5 (j) on or after July 1, 2020 but before
6 July 1, 2021, forty percent;

7 (k) on or after July 1, 2021 but before
8 July 1, 2022, thirty-three percent;

9 (l) on or after July 1, 2022 but before
10 July 1, 2023, twenty-seven percent;

11 (m) on or after July 1, 2023 but before
12 July 1, 2024, twenty percent;

13 (n) on or after July 1, 2024 but before
14 July 1, 2025, thirteen percent; and

15 (o) on or after July 1, 2025 but before
16 July 1, 2026, six percent.

17 C. For a county not described in Subsection A of
18 this section, a distribution pursuant to Section 7-1-6.1 NMSA
19 1978 shall be made to the county in an amount, subject to any
20 increase or decrease made pursuant to Section 7-1-6.15 NMSA
21 1978, equal to the sum of the following percent of the total
22 deductions claimed pursuant to Section 7-9-92 NMSA 1978 by
23 taxpayers from business locations:

24 (1) within a municipality in the county
25 multiplied by the combined rate of all county local option

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1 gross receipts taxes in effect on January 1, 2007 that are
2 imposed throughout the county:

3 (a) before July 1, 2012, one hundred
4 percent;

5 (b) on or after July 1, 2012 but before
6 July 1, 2013, ninety-three percent;

7 (c) on or after July 1, 2013 but before
8 July 1, 2014, eighty-seven percent;

9 (d) on or after July 1, 2014 but before
10 July 1, 2015, eighty percent;

11 (e) on or after July 1, 2015 but before
12 July 1, 2016, seventy-three percent;

13 (f) on or after July 1, 2016 but before
14 July 1, 2017, sixty-seven percent;

15 (g) on or after July 1, 2017 but before
16 July 1, 2018, sixty percent;

17 (h) on or after July 1, 2018 but before
18 July 1, 2019, fifty-three percent;

19 (i) on or after July 1, 2019 but before
20 July 1, 2020, forty-seven percent;

21 (j) on or after July 1, 2020 but before
22 July 1, 2021, forty percent;

23 (k) on or after July 1, 2021 but before
24 July 1, 2022, thirty-three percent;

25 (l) on or after July 1, 2022 but before

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1 July 1, 2023, twenty-seven percent;

2 (m) on or after July 1, 2023 but before
3 July 1, 2024, twenty percent;

4 (n) on or after July 1, 2024 but before
5 July 1, 2025, thirteen percent; and

6 (o) on or after July 1, 2025 but before
7 July 1, 2026, six percent; and

8 (2) in the county but not within a
9 municipality multiplied by the combined rate of all county
10 local option gross receipts taxes in effect for the month that
11 are imposed in the county area:

12 (a) before July 1, 2012, one hundred
13 percent;

14 (b) on or after July 1, 2012 but before
15 July 1, 2013, ninety-three percent;

16 (c) on or after July 1, 2013 but before
17 July 1, 2014, eighty-seven percent;

18 (d) on or after July 1, 2014 but before
19 July 1, 2015, eighty percent;

20 (e) on or after July 1, 2015 but before
21 July 1, 2016, seventy-three percent;

22 (f) on or after July 1, 2016 but before
23 July 1, 2017, sixty-seven percent;

24 (g) on or after July 1, 2017 but before
25 July 1, 2018, sixty percent;

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underscored material = new
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1 (h) on or after July 1, 2018 but before
2 July 1, 2019, fifty-three percent;

3 (i) on or after July 1, 2019 but before
4 July 1, 2020, forty-seven percent;

5 (j) on or after July 1, 2020 but before
6 July 1, 2021, forty percent;

7 (k) on or after July 1, 2021 but before
8 July 1, 2022, thirty-three percent;

9 (l) on or after July 1, 2022 but before
10 July 1, 2023, twenty-seven percent;

11 (m) on or after July 1, 2023 but before
12 July 1, 2024, twenty percent;

13 (n) on or after July 1, 2024 but before
14 July 1, 2025, thirteen percent; and

15 (o) on or after July 1, 2025 but before
16 July 1, 2026, six percent.

17 D. For a county not described in Subsection B of
18 this section, a distribution pursuant to Section 7-1-6.1 NMSA
19 1978 shall be made to the county in an amount, subject to any
20 increase or decrease made pursuant to Section 7-1-6.15 NMSA
21 1978, equal to the sum of the following percent of the total
22 deductions claimed pursuant to Section 7-9-93 NMSA 1978 by
23 taxpayers from business locations:

24 (1) within a municipality in the county
25 multiplied by the combined rate of all county local option

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[bracketed material] = delete

1 gross receipts taxes in effect for the month that are imposed
2 throughout the county:

3 (a) before July 1, 2012, one hundred
4 percent;

5 (b) on or after July 1, 2012 but before
6 July 1, 2013, ninety-three percent;

7 (c) on or after July 1, 2013 but before
8 July 1, 2014, eighty-seven percent;

9 (d) on or after July 1, 2014 but before
10 July 1, 2015, eighty percent;

11 (e) on or after July 1, 2015 but before
12 July 1, 2016, seventy-three percent;

13 (f) on or after July 1, 2016 but before
14 July 1, 2017, sixty-seven percent;

15 (g) on or after July 1, 2017 but before
16 July 1, 2018, sixty percent;

17 (h) on or after July 1, 2018 but before
18 July 1, 2019, fifty-three percent;

19 (i) on or after July 1, 2019 but before
20 July 1, 2020, forty-seven percent;

21 (j) on or after July 1, 2020 but before
22 July 1, 2021, forty percent;

23 (k) on or after July 1, 2021 but before
24 July 1, 2022, thirty-three percent;

25 (l) on or after July 1, 2022 but before

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underscored material = new
[bracketed material] = delete

1 July 1, 2023, twenty-seven percent;

2 (m) on or after July 1, 2023 but before
3 July 1, 2024, twenty percent;

4 (n) on or after July 1, 2024 but before
5 July 1, 2025, thirteen percent; and

6 (o) on or after July 1, 2025 but before
7 July 1, 2026, six percent; and

8 (2) in the county but not within a
9 municipality multiplied by the combined rate of all county
10 local option gross receipts taxes in effect for the month that
11 are imposed in the county area:

12 (a) before July 1, 2012, one hundred
13 percent;

14 (b) on or after July 1, 2012 but before
15 July 1, 2013, ninety-three percent;

16 (c) on or after July 1, 2013 but before
17 July 1, 2014, eighty-seven percent;

18 (d) on or after July 1, 2014 but before
19 July 1, 2015, eighty percent;

20 (e) on or after July 1, 2015 but before
21 July 1, 2016, seventy-three percent;

22 (f) on or after July 1, 2016 but before
23 July 1, 2017, sixty-seven percent;

24 (g) on or after July 1, 2017 but before
25 July 1, 2018, sixty percent;

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underscored material = new
[bracketed material] = delete

1 (h) on or after July 1, 2018 but before
2 July 1, 2019, fifty-three percent;

3 (i) on or after July 1, 2019 but before
4 July 1, 2020, forty-seven percent;

5 (j) on or after July 1, 2020 but before
6 July 1, 2021, forty percent;

7 (k) on or after July 1, 2021 but before
8 July 1, 2022, thirty-three percent;

9 (l) on or after July 1, 2022 but before
10 July 1, 2023, twenty-seven percent;

11 (m) on or after July 1, 2023 but before
12 July 1, 2024, twenty percent;

13 (n) on or after July 1, 2024 but before
14 July 1, 2025, thirteen percent; and

15 (o) on or after July 1, 2025 but before
16 July 1, 2026, six percent.

17 [~~B.~~] E. The [~~distribution pursuant to Subsection A~~]
18 distributions pursuant to Subsections A through D of this
19 section [~~is~~] are in lieu of revenue that would have been
20 received by the county but for the deductions provided by
21 Sections 7-9-92 and 7-9-93 NMSA 1978. The [~~distribution~~]
22 distributions shall be considered gross receipts tax revenue
23 and shall be used by the county in the same manner as gross
24 receipts tax revenue, including payment of gross receipts tax
25 revenue bonds.

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underscored material = new
[bracketed material] = delete

1 F. If the reductions made by this 2012 act to the
2 distributions made pursuant to Subsections A through D of this
3 section impair the ability of a county to meet its principal or
4 interest payment obligations for revenue bonds that are
5 outstanding prior to July 1, 2012 and that are secured by the
6 pledge of all or part of the county's revenue from gross
7 receipts taxes, then the amount distributed pursuant to this
8 section to that county shall be increased by an amount
9 sufficient to meet the required payment; provided that the
10 total amount distributed to that county pursuant to this
11 section does not exceed the amount that would have been due
12 that county pursuant to this section as it was in effect on
13 June 30, 2012.

14 ~~[G.]~~ G. A distribution pursuant to this section may
15 be adjusted for a distribution made to a tax increment
16 development district with respect to a portion of a gross
17 receipts tax increment dedicated by a county pursuant to the
18 Tax Increment for Development Act."

19 **SECTION 3.** A new section of the Tax Administration Act is
20 enacted to read:

21 "[NEW MATERIAL] DISTRIBUTION--LOCAL GOVERNMENTS ROAD
22 FUND DUE TO REDUCTION OF HOLD HARMLESS PROVISIONS FOR FOOD AND
23 MEDICAL GROSS RECEIPTS DEDUCTIONS.--

24 A. A distribution pursuant to Section 7-1-6.1 NMSA
25 1978 shall be made each month to the local governments road

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underscoring material = new
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1 fund from the net receipts attributable to the gross receipts
2 tax in an amount equal to:

3 (1) for fiscal years 2013 through 2016, six
4 hundred sixty-six thousand dollars (\$666,000);

5 (2) for fiscal years 2017 through 2020, one
6 million three hundred thirty-two thousand dollars (\$1,332,000);

7 (3) for fiscal years 2021 through 2024, one
8 million nine hundred ninety-eight thousand dollars
9 (\$1,998,000);

10 (4) for fiscal years 2025 and 2026, two million
11 six hundred sixty-four thousand dollars (\$2,664,000); and

12 (5) for fiscal year 2027 and subsequent fiscal
13 years, no distribution shall be made to the local governments
14 road fund pursuant to this section.

15 B. The money shall be distributed according to the
16 provisions of Section 67-3-28.2 NMSA 1978."

17 SECTION 4. DELAYED REPEAL.--Sections 7-1-6.46 and
18 7-1-6.47 NMSA 1978 (being Laws 2004, Chapter 116, Sections 1
19 and 2, as amended) are repealed effective July 1, 2026.

20 SECTION 5. EFFECTIVE DATE.--The effective date of the
21 provisions of this act is July 1, 2012.